

hurt, and it will cost us more. I want to make sure we get the insurance recovery.

I am a plaintiff for the first time in my life. I didn't want to do that. When I met with shipyard officials immediately after the hurricane, I went out there, and they were feeding the people on a ship that was moored. There was no electricity. I said: What about insurance? They said: We are fortunate. We had insurance. We even had a clause in there so we feel we are going to get a good recovery.

Well, it hasn't happened. So we can deal with this realistically and in a sensible and thoughtful way, the way Senator COCHRAN has outlined, and I think we will get through it. We will keep the jobs, build the ships, help the Navy, help the workers. And we won't lose money in the end. The disruption cost, if we don't do this, will be much greater than by going ahead and doing this right now.

I beg my colleagues, bear with us. I know you are beginning to say: How much is enough? I don't know in every instance, because we are still dealing with the magnitude of this disaster. But we are going to try to be honest with you. We are going to try to be thoughtful. I believe this language is crafted well. I am proud to be a part of the effort to defend the language that is in this legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, I want to raise a few points. First, I have great respect for the Senators from Mississippi and Louisiana. If they will note, my votes have reflected that, when we have sent money for both. The President did request \$2.5 billion, \$2.7 billion for this. But he also requested that we not do this specific thing, that we not do this. The Senator from Mississippi makes a point they have already collected \$125 million—actually they told us \$125 million, maybe it is more—from insurance. They did have a big loss.

We had a hurricane down there and everybody will agree, because of the hurricane, the ships are going to cost more, no matter what we do. They are going to cost more because they were delayed. We know that in defense contracting. Is it in Northrop Grumman's interest to recapitalize this shipyard? Yes. There is no question about it. Do they have a positive cashflow of \$2.6 billion this year? Yes. The reason we should not do this is because there will be no money coming from the insurance industry. Under the legal loss doctrine, we will obviate all those policies. So by doing this, it is true, any money that comes comes back to the Navy. I agree, that is in here. But the fact is, there will be no money coming back because they will have and utilize in their insurance contracts the legal loss doctrine. That doctrine will obviate any obligation, any liability these insurance companies have to do it. So

the question is, should our kids pay for it, our grandkids pay for it, or is it in Northrop Grumman's best interest to put the business interruption insurance, which is in litigation, to borrow that money or take it out of earnings from cashflow from operations right now and then collect the interest on it? Instead, we are going to send it on down the pike 30 years to be paid back, and \$125 or \$200 million will become \$800 million or \$1 billion after 30 years.

I would also read into the record part (a), section 2303, "Amounts appropriated or otherwise made available by this Act." Going on down, "under the heading 'Shipbuilding and Conversion, Navy' may be obligated and expended to pay the costs of any business disruption incurred by a ship construction contractor with respect to facilities or businesses located in the Hurricane Katrina Disaster area by reason of Hurricane Katrina."

We do get all four of them, all four segments intentionally, because if we don't, then we pay. The insurance industry won't pay. Anything that isn't settled at the time this goes through will not be paid for by the insurance industry. So if you want to go out and make some money today, go buy Factory Mutual insurance. Because if this goes through and is a part of it, they made \$150 million today with this thing going through. They are not going to pay, and they are going to be upheld in a court of law.

This is an established doctrine of law. And if it is already paid for by the U.S. taxpayers' grandchildren, then Factory Mutual is not going to have to pay for it.

I understand the intent. I believe the Senators from Mississippi are doing what they think is right. I think this is just a step too far that doesn't have to be done to truly get going. There are 11,062 employees in Mississippi right now working for Northrop Grumman. They have employees in 38 States. They are a great company and a vital contractor. But I would make the case that the cost of ships has gone up because we had the hurricane. And it is noble to try to limit that increase. This won't limit the increase; this will just increase the cost to our grandchildren.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Mr. President, I rise to support the chairman's mark on this very important issue relative to the rebuilding of the gulf coast. Chairman COCHRAN has taken great responsibility to shape a supplemental bill that asks for what is absolutely crucial to the development of the gulf coast. I know that a few of our colleagues may take issue with one or more things that are in this bill. But overall, it is a genuine attempt to try to give direct and targeted help to the standing up of this very important area of the United States that has been hit, as we said, not by one hurricane but two hurri-

canes, two of the worst that have ever hit the continental United States since 1837, since hurricanes have been recorded, and by the extraordinary flooding that took place in a large metropolitan area, not just Orleans Parish, but Plaquemines Parish and St. Bernard Parish, the heart of America's energy coast and the heart of the economic region about which we are speaking.

Inside this region that has been devastated there are over 16,000 people employed in shipbuilding. We are proud of those shipyards at Ingalls, Gulfport, and Avondale. Fortunately, the Avondale shipyard, which is in New Orleans, did not sustain tremendous flooding because it was on the west bank of the city and, of course, the east bank is the part that flooded. We are very fortunate in that regard. There was still a tremendous amount of damage at Avondale.

As my friends from Mississippi said, their shipyard was just hammered. We are so grateful that Avondale stood up because we have been able to help keep the ships on schedule and get our people employed.

The Senator who is objecting, Mr. COBURN, has been so helpful in other ways. I know he wants to make sure we are not double-dipping. He keeps referring to the first paragraph of this amendment, but if you read the second paragraph of the chairman's mark, it is clear. It says: This may not be treated as collateral insurance coverage, so they cannot collect twice.

It is not the chairman's intention or my intention or Senator LOTT's intention for the company to collect twice. But advancing these payments to them in the way this has been drafted will help them get these yards back up and running, to get their construction done, and to get people hired again. It is very difficult.

We keep saying—and I know people are tired of hearing this—this was not a regular hurricane. It has destroyed so much that not only do employers, large and small, have to get their businesses back going, they have to go out and literally find their customers. Then they have to provide housing for their workers. Then they have to get electricity turned on for their workers, then they have to get running water turned on for their workers. It is more than our employers can bear, even the big ones such as Northrop Grumman.

We are not asking for a taxpayer bailout. We are not asking for double-dipping. The Navy knows what we are doing, and they are supportive. The Department of Defense is supportive.

I came to the floor to ask my colleagues to please support the chairman's marks on this to help our shipbuilding. We are not asking for double-dipping. When the insurance moneys come in, which I am sure they are entitled to do, this language allows the taxpayers to be repaid. So we get the benefit of getting our shipyards up and running, getting potentially 17,000-plus